

ITEM 1
MANAGER'S REPORT NO. 77
COUNCIL MEETING 85/12/02

RE: 1986 PROVISIONAL OPERATING BUDGET

MUNICIPAL MANAGER'S RECOMMENDATIONS

1. THAT the 1986 Provisional Operating Budget be received; and
2. THAT a meeting between Council and the Municipal Manager and Management Committee be set up to discuss this budget.

REPORT

Included with your Council agenda is a copy of the 1986 Provisional Operating Budget. This budget was thoroughly reviewed by the Municipal Manager and the Management Committee during the weeks of November 04 and 12.

All departmental budgets were prepared within the Challenge Statement guidelines except for the Library, which exceeds them by \$36,744. The Library Board has been requested to review its budget accordingly.

The taxes to be levied in 1986 are expected to increase by about 4.9%. The proposed tax levy increase in the 1986 Provisional Budget is \$3,484,400 or 7.1% greater than the 1985 annual tax draw. It is anticipated that growth in new assessments will generate about \$1.0 million in new additional taxes (using 1985 tax rates), subject to Court of Revision decisions and outstanding appeals. The difference in the tax increase of \$2,484,400 expected to be borne by all taxpayers in 1986 is expected to be about 4.9% higher than in 1985 after new growth is considered. The increase is subject to the unknowns and assumptions included in the 1986 Budget, as well as the variable tax rates Council will use for 1986.

Section 263 of the Municipal Act requires that the Provisional Budget be adopted no later than the third Monday after January 01, that is, no later than January 20. The next step is to set up a meeting between Council and the Municipal Manager and the Management Committee to discuss this budget.

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